

State of South Dakota

SEVENTY-EIGHTH SESSION LEGISLATIVE ASSEMBLY, 2003

137I0456

HOUSE BILL NO. 1071

Introduced by: Representatives Glenski, Bartling, Bradford, Burg, Elliott, Engels, Gassman, Gillespie, Hanson, Hargens, Hundstad, Kroger, Lange, Miles, Nesselhuf, Olson (Mel), Peterson (Jim), Sigdestad, and Thompson and Senators Kooistra, Dennert, Duxbury, Koetzle, Moore, Nachtigal, Reedy, Sutton (Dan), and Symens

1 FOR AN ACT ENTITLED, An Act to exempt the purchase of food from sales and use taxes
2 when the provisions of the streamlined sales tax project become effective.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That chapter 10-45 be amended by adding thereto a NEW SECTION to read as
5 follows:

6 The gross receipts from the sale of food, as defined by the Food Stamp Act of 1977 (P.L.
7 95-113), codified at 7 U.S.C. § 2012(g), as amended through January 1, 2003, are exempt from
8 the provisions of this chapter and the computation of sales tax imposed.

9 Section 2. That chapter 10-46 be amended by adding thereto a NEW SECTION to read as
10 follows:

11 The gross receipts from the sale of food, as defined by the Food Stamp Act of 1977 (P.L.
12 95-113), codified at 7 U.S.C. § 2012(g), as amended through January 1, 2003, are exempt from
13 the provisions of this chapter and the computation of sales tax imposed.

14 Section 3. That § 10-52-2.5 be repealed.



~~10-52-2.5. The gross receipts from selling food, as defined by the Food Stamp Act of 1977 (P.L. 95-113), codified at 7 U.S.C. § 2012(g), as amended through January 1, 1983, in rules promulgated pursuant thereto, are exempt from the provisions of this chapter and from the tax imposed by it if the tax rate imposed by a municipality through the provisions of § 10-52-2 is in excess of one percent. The provisions of this section do not apply to municipalities qualifying under § 10-52-2.1 unless such municipalities increase their existing non-ad valorem tax and the new rate is in excess of one percent. A municipality may, by local option, exempt food, as defined by the Food Stamp Act of 1977 (P.L. 95-113), codified at 7 U.S.C. § 2012(g), as amended through January 1, 1983, from the tax imposed by § 10-52-2 if the tax rate is one percent or less. A municipality with a tax rate in excess of one percent on January 1, 1983, pursuant to § 10-52-2.1, may, by local option, exempt food, as defined by the Food Stamp Act of 1977 (P.L. 95-113), codified at 7 U.S.C. § 2012(g), as amended through January 1, 1983, from the tax. (Repealed by SL 2002, ch 64, § 34, effective January 1, 2006).~~

Section 4. This Act is effective on July 1, 2006.